



Pension Schemes Act 2017

2017 CHAPTER 17

PART 1

MASTER TRUSTS

Authorisation criteria

7 Fit and proper persons requirement

- (1) This section applies for the purposes of enabling the Pensions Regulator to decide whether it is satisfied that the persons involved in a Master Trust scheme are fit and proper persons (see section 5(3)(a)).
- (2) The Pensions Regulator must assess whether each of the following is a fit and proper person to act in relation to the scheme in the capacity mentioned—
 - (a) a person who establishes the scheme;
 - (b) a trustee;
 - (c) a person who (alone or with others) has power to appoint or remove a trustee;
 - (d) a person who (alone or with others) has power to vary the terms of the trust under which the scheme is established (where the scheme is established under a trust);
 - (e) a person who (alone or with others) has power to vary the scheme (where the scheme is not established under a trust);
 - (f) a scheme funder;
 - (g) a scheme strategist;
 - (h) a person acting in a capacity specified in regulations made by the Secretary of State.
- (3) The Pensions Regulator may also assess whether each of the following is a fit and proper person to act in relation to the scheme in the capacity mentioned—
 - (a) a person who promotes or markets the scheme;
 - (b) a person acting in a capacity specified in regulations made by the Secretary of State.

Changes to legislation: There are currently no known outstanding effects for the Pension Schemes Act 2017, Section 7. (See end of Document for details)

- (4) In assessing whether a person is a fit and proper person to act in a particular capacity, the Pensions Regulator—
- (a) must take into account any matters specified in regulations made by the Secretary of State, and
 - (b) may take into account such other matters as it considers appropriate (including, in particular, matters relating to a person connected with that person).
- (5) For the purposes of this section a person (“A”) is connected with another person (“B”) if—
- (a) A is an associate of B;
 - (b) where B is a company, A is a director or shadow director of B or an associate of a director or shadow director of B;
 - (c) A is a trustee of an occupational pension scheme established under a trust and—
 - (i) the beneficiaries of the trust include B or an associate of B, or
 - (ii) the terms of the trust confer a power that may be exercised for the benefit of B or an associate of B.
- (6) In this section—
- “associate” has the meaning given by section 435 of the Insolvency Act 1986;
- “director” and “shadow director” have the meanings given by section 251 of that Act.
- (7) The first regulations that are made under subsection (4) are subject to affirmative resolution procedure.
- (8) Any subsequent regulations under subsection (4), and regulations under subsections (2) and (3), are subject to negative resolution procedure.

Modifications etc. (not altering text)

- C1** Pt. 1 excluded (1.10.2018) by [The Occupational Pension Schemes \(Master Trusts\) Regulations 2018 \(S.I. 2018/1030\)](#), [regs. 1\(2\)](#), **27**
- C2** Pt. 1 excluded (1.10.2018) by [The Occupational Pension Schemes \(Master Trusts\) Regulations 2018 \(S.I. 2018/1030\)](#), [regs. 1\(2\)](#), **26**
- C3** Pt. 1 modified (1.10.2018) by [The Occupational Pension Schemes \(Master Trusts\) Regulations 2018 \(S.I. 2018/1030\)](#), [regs. 1\(2\)](#), **28(2)**
- C4** Pt. 1 modified (1.10.2018) by [The Occupational Pension Schemes \(Master Trusts\) Regulations 2018 \(S.I. 2018/1030\)](#), [regs. 1\(2\)](#), **28(3)(4)(a)(b)**
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Commencement Information

- I1** S. 7 in force at 5.9.2018 for specified purposes by [S.I. 2018/965](#), [reg. 2\(a\)](#)
- I2** S. 7 in force at 1.10.2018 in so far as not already in force by [S.I. 2018/965](#), [reg. 2\(b\)](#)

Changes to legislation:

There are currently no known outstanding effects for the Pension Schemes Act 2017, Section 7.